IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

TUESDAY, THE FOURTEENTH DAY OF DECEMBER
TWO THOUSAND AND FOUR

PRESENT

THE HON'BLE MR JUSTICE L.NARASIMHA REDDY

WRIT PETITION NO : 23184 of 2004

Between:

G.S.R.Prasad, S/o.Veera Raghavulu,
R/o.Rajahmundry, East Godavari District.

..... PETITIONER

AND

1 The Superintending Engineer, Panchayat Raj Circle, Eluru, West Godavari District.
2 The Executive Engineer, Panchayat Raj Circle, Eluru, West Godavari District.

.....RESPONDENT(S)

Petition filed under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue an appropriate writ, order or direction more particularly one in the nature of writ of Mandamus or any other writ or order or direction, call for and examine the records in agreement No. 15/97-98 and measurement books on the files of the respondents to release the security deposits of the petitioner to a tune of Rs.2,25,000/- with interest and to pass such other order or orders.

Counsel for the Petitioner:MR.C.H.SATISH KUMAR

Counsel for the Respondents: GP FOR PANCHAYAT RAJ & RURAL DEV.

The Court at the stage of admission made the following order:

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ORDER:

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The petitioner is said to have been entrusted a civil contract under agreement No.15/97-98, by the 2nd respondent. The petitioner kept a sum of Rs.2,25,000/-, as security deposit. According to him, the work has been executed to the satisfaction of the department, and though the observation period has expired; he complains that the 2nd respondent has not refunded the security deposit. It is also alleged that, on a representation made by the petitioner, the 1st respondent directed the 2nd respondent through his letter dated 28-07-2004, to take appropriate steps for refund of the deposit, and despite the same, no action has been taken so far.

Heard the learned counsel for the petitioner and learned Government Pleader for Panchayat Raj.

From a perusal of the letter dated 28-07-2004, addressed by the 1st respondent to the 2nd respondent, it is evident that necessary steps were directed to be taken, in the matter of releasing of the deposits made by the petitioner. Security deposit is required to be kept by the department, to ensure that the work is completed to its satisfaction. Each contract stipulates the observation period. After the expiry of the period, security deposit has to be refunded. In case, the work executed by the petitioner was found to be defective, within the observation period, steps could have been taken to recover any amount of the security deposit. The very fact that no such recoveries are effected, discloses that the work was not found to be defective. At any rate, there does not exists any justification on the part of the 2nd respondent, in not taking steps to refund the security deposit to the petitioner, that too, even after the 1st

respondent addressed the letter, dated 28-07-2004.

Hence, the writ petition is disposed of, directing the 2nd respondent to take necessary steps, in the matter of refund of security deposit of the petitioner, within four weeks from the date of receipt of a copy of this order. There shall be no order as to costs.

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L. NARASIMHA REDDY, J.

Dt.14-12-2004

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To

1 The Superintending Engineer, Panchayat Raj Circle, Eluru, West Godavari District.
2 The Executive Engineer, Panchayat Raj Circle, Eluru, West Godavari District.

3. 2 CCs to G.P. for Panchayat Raj, High Court of A.P., High Court Buildings, Hyderabad (OUT).

4. 2 C.D. copies.